



TOM TINDALL  
Director

County of Los Angeles  
**INTERNAL SERVICES DEPARTMENT**

1100 North Eastern Avenue  
Los Angeles, California 90063

*"To enrich lives through effective and caring service"*

Telephone: (323) 267-2101  
FAX: (323) 264-7135

December 11, 2012

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, California 90012

Dear Supervisors:

**AWARD OF FIVE CUSTODIAL SERVICES CONTRACTS**

**SUBJECT**

Approval of five custodial contracts to provide services to various County departments.

**IT IS RECOMMENDED THAT THE BOARD:**

1. Find that custodial services can be more economically performed by independent contractors than by County employees.
2. Approve and instruct the Chairman to sign the attached contracts (Attachments 1-5) with Diamond Contract Services, Inc., DMS Facility Services, Inc., and Pride Industries One, Inc., to provide custodial services to be effective as indicated in Attachment 6 for a period of two (2) years, with three (3) one-year renewal options and six month to month extensions at an estimated annual cost of \$14 million.
3. Approve and authorize the Director of Internal Services Department (ISD) or his designee to extend the current contracts with Come Land Maintenance Co. Inc. and DMS Facility Services, Inc. as indicated on Attachment 6 under the current terms and conditions.
4. Authorize the Director of ISD or his designee to exercise the renewal options and month-to-month extensions in accordance with the attached contracts, add and delete facilities, approve necessary changes to scope of services, and execute applicable contract amendments should the original contracting entities merge, be acquired, or otherwise have a change of entity.

## **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

ISD currently contracts for custodial services for 22 County departments and Superior Courts at approximately 180 buildings located throughout the County. The work has been divided into, and solicited by, six geographic regions with one contract per region. Your Board approved a contract for custodial services in Region 5 on February 7, 2012. As such, the recommended contracts are for five regions (Regions 1, 2, 3, 4 and 6) where ISD is currently providing custodial services at approximately 144 facilities to various County departments. The recommended contractors are DMS Facility Services (DMS) for Regions 2 and 3, Diamond Contract Services (Diamond) for Regions 1 and 6, and Pride Industries One (Pride) for Region 4.

The existing contracts with DMS and Come Land expire on December 20, 2012 and extensions are requested to transition the services to the new contractors without interruption or lapse in services.

To meet the operational needs of ISD's client departments, there may be occasions during the term of the contracts when the scope of service at a facility must be changed or when a facility needs to be added or deleted. Approval of recommendation No. 4 will provide ISD with the ability to effectively manage these situations.

## **Implementation of Strategic Plan Goals**

The recommended contract supports County Strategic Plan Goals Number 1 (Operational Effectiveness) maximize the effectiveness of the County's processes structure and operations to support timely delivery of customer oriented and efficient public service by providing custodial services countywide.

## **FISCAL IMPACT/FINANCING**

The estimated first year costs for the recommended contracts are as follows:

Region	Proposed Contractor	Annual Cost
1	Diamond	2,871,179
2	DMS	1,143,444
3	DMS	4,333,077
4	Pride	3,276,194
6	Diamond	2,387,453
Total		\$14,011,347

Sufficient appropriation for the recommended contracts is included in ISD's FY 2012-13 Adopted Budget and sufficient appropriation will be requested in future years. Expenditures will be offset through billings to County departments.

The Department conducted cost analyses to ensure the contracts are cost effective, summaries of which are attached (Attachment 7). The Auditor-Controller has approved the cost analyses that demonstrate that the contracts are cost effective.

## **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

The terms and conditions of the recommended contracts have been approved as to form by County Counsel. The contracts contain the Board's required contract provisions including those pertaining to consideration of qualified County employees targeted for layoffs, as well as qualified GAIN/GROW participants for employment openings, compliance with the Jury Service Ordinance, Safely Surrendered Baby Law and the Child Support program. With the exception of the contract for Region 4, the contracts are subject to the Living Wage Program (County Code Chapter 2.201). Pride, the recommended contractor for Region 4 is exempted from the Living Wage Program due to the company's non-profit [IRS 501(c)3] status. DMS and Diamond will pay an hourly wage of no less than \$11.84 to its employees providing services under the proposed contract. Although Pride is exempt from the Living Wage Program, the company has agreed to pay its employees an hourly wage of \$11.84. There is no impact to current County employees.

The contract rates are fixed for the two year term of the contracts. The contracts allow for a Cost of Living Adjustment (COLA) increase during the option years, if the option years are exercised by the County. The COLA language in the contracts complies with your Board's directive that COLA's for Living Wage contracts be limited to only the non-labor costs associated with the contract, unless the Contractor can demonstrate an increase in labor cost.

## **CONTRACTING PROCESS**

On December 1, 2011, ISD released a Request for Proposals (RFP) for Custodial Services in five regions and posted the solicitation and contracting opportunity announcement on the County's "Doing Business with Us" web site (Attachment 8). Notice of the RFP was sent by electronic mail to 573 vendors registered with the County (Attachment 9). In addition, the contracting opportunity was advertised in the following publications: Los Angeles Times, Press Telegram, and La Opinión (Spanish language newspaper).

The mandatory proposer's conference was held on February 2, 2012. On February 27, 2012, proposals were received for each of the five regions as indicated below. Each proposal was reviewed for responsiveness and compliance with the minimum requirements stated in the RFP.

Region 1 – Twelve proposals received; six disqualified  
Region 2 – Thirteen proposals received; four disqualified  
Region 3 – Nine proposals received; four disqualified  
Region 4 – Eleven proposals received; five disqualified  
Region 6 – Eleven proposals received; six disqualified

Reasons for disqualifications included proposals not demonstrating that the company met the required years of experience or submittal of incorrect documents. The proposals that met the minimum requirements were evaluated by a committee in accordance with the evaluation process identified in the RFP. The non-selected proposers received debriefings from August 28 through September 5, 2012.

One proposer submitted a protest for each of the five regions and requested a County Review. As a result, a County Review Panels was convened, and a meeting was held on November 13, 2012. The County Review Panel did not have any recommended changes.

For Region 4, Pride met the criteria to qualify as a Transitional Job Opportunities Vendor and was therefore granted the five percent (5%) preference in the evaluation of its cost proposal. Each of the recommended vendors indicated their willingness to interview and consider the existing contractor's workforce for employment with their company under the recommended contracts. A summary of Community Business Enterprise Program information for each of the recommended vendors is attached (Attachment 10).

On final analysis, selections were made without regard to gender, race, creed, or color or national origin.

**IMPACT ON CURRENT SERVICES (OR PROJECTS)**

Approval of the recommended contracts will allow the County to continue to provide custodial services for various County departments throughout the County of Los Angeles.

Respectfully submitted,

A handwritten signature in dark ink that reads "Tom Tindall". The signature is written in a cursive, flowing style.

TOM TINDALL

Director

TT:YY

c: Chief Executive Officer  
County Counsel